FACTS ON FILE

Weekly World News Digest with Cumulative Index

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WOMAN'S COLLEGE
UNIVERSITY OF NORTH CAROLINA

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Letters in margin are to facilitate reference from future issues and index

WORLD AFFAIRS

A SUMMARY. *Reds halted Korean talks over alleged plane incident denied by UN command.*

British-Iranian oil talks broke up in disagreement.

MacArthur charged Japanese peace conference snub by Pres. Truman; general's ouster denounced by 8 GOP Senators.

Russian exile groups merged to seek overthrow of Stalin.

Domestic News. *Congress broke log-jam on appropriations, passed defense housing bill; House cut civil defense funds.*

Govt. partially froze business executives' bonuses; wages allowed to rise with cost of living.

Navy ordered atomic-powered submarine.

B *William Remington's perjury conviction was reversed.*

6 more Red "2d string" leaders were rounded up.

14-month Senate crime hearings ended.

KOREA

Reds Halt Talks. Korean truce subcommittee meetings, held daily Aug. 17-22, were stopped by the Communists Aug. 23 after they charged that a UN plane had attacked the Kaesong neutral zone. The UN command denied that an attack took place, accused the Reds of framing "evidence" as an excuse for halting the truce parleys, in which they were having no luck in getting the UN to agree to a cease-fire on the 38th Parallel. The Reds C first indicated they had quit the truce talks for good, then offered to resume when the UN gives a "satisfactory" explanation of the alleged air attack.

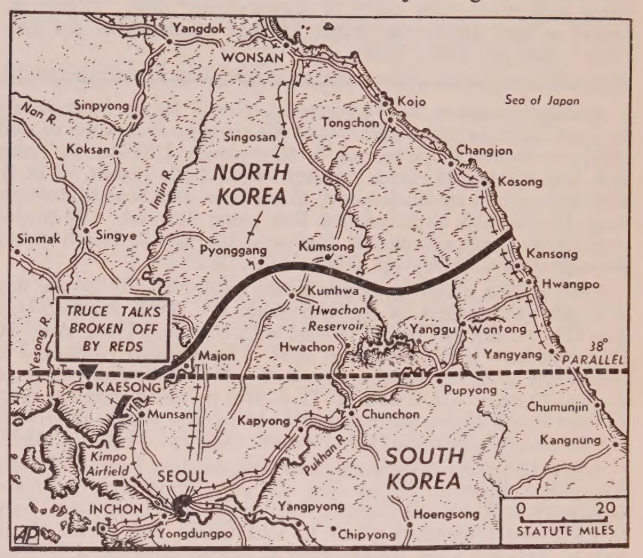
The disputed plane incident was the week's 3d case of a Red complaint against alleged UN violation of the Kaesong zone. A Chinese Army patrol leader was killed in an ambush Aug. 19 inside the zone. The Reds blamed UN forces, held a ceremonious "people's funeral" for the ambush victim in Kaesong Aug. 20. Then the Reds protested that one of their truce team jeeps had been shot at by a USAF plane north of Kaesong Aug. 19.

Vice Adm. C. Turner Joy, UN truce team chief, told the Reds D Aug. 22: (1) Korean civilians—guerrillas who wanted to break up the cease-fire talks and over whom the UN exercised no control—killed the Chinese soldier; it was up to Red MPs to police the Kaesong zone; (2) the jeep hit north of Kaesong did not bear agreed truce-team markings; the UN will not consider future complaints against attacks on Red truce-team vehicles not properly marked.

Later Aug. 22 the Reds announced the plane incident and took UN liaison officers to see the "evidence": bits of metal they said had struck a jeep occupied by Korean Lt. Gen. Nam Il, Red truce team chief, and a battered piece of metal and "craters" they said were evidence that a napalm bomb had been dropped E near Red truce team quarters in Kaesong. The UN liaison men (Marine Col. James C. Murray, AF Col. A. J. Kinney of the U.S.) said the "bomb remnants" were fake and the "craters" could have been caused by hand grenades set off by the Reds.

A Red liaison officer, North Korean Col. Chang Chun San, announced early Aug. 23 that truce talks were "off from now on"

War Front as Parleys Lag



Wide World

Heavy black line traces Korean ground front Aug. 23, is line on which UN wants cease-fire. Reds want truce on 38th Parallel, old North-South Korean frontier and war's starting point. Kaesong (left), truce talk scene, is in only Red-held sector below parallel. Parleys stopped at least temporarily Aug. 23—3d interruption since start July 10—as Reds accused UN of attacks in Kaesong neutral zone. UN "peace camp" is near Munsan.

UN has improved position on eastern half of battle line (Pyonggang to coast) by capture of hill strongpoints in 6 weeks since truce talks started [see map p. 201]. ROK troops won more key hills near east coast Aug. 18-22 with support of U. S. naval guns, lost back part of these gains Aug. 23. [See p. 257J]

because of the plane attack. (2 previous interruptions of Kaesong talks were due to UN complaints against the Reds.) Later Aug. 23 Gen. Matthew B. Ridgway's UN Hq. denounced the Red J "frameup" and Pres. Truman told his news conference in Washington the Kaesong talks were held up by a Red "masquerade." Ridgway's Hq. denied any UN plane had flown over Kaesong Aug. 22.

Red commanders Kim Il Sung (Korea) and Gen. Peng Teh-huai (Red China) then sent Ridgway a message Aug. 24 (Korean time) denouncing the UN for a plot to "murder the unarmed delegates of our side" but expressing hope that truce talks would be resumed, "proceed smoothly" and produce a "just and reasonable agreement." The Reds asked Ridgway for a "satisfactory answer" to their protest on the alleged bombing. [See p. 257B-J]

Casualties. A new week's low in published U. S. casualties reported Aug. 22: 256 Aug. 11-17, making the war's total 81,006 (13,501 dead). Red casualties rose to 1,242,000 by Aug. 8, the U. S. estimated Aug. 17. The U. S. Inst. of Life Insurance said Aug. 22 that $10 million was paid out in Korean death claims in the year ended June 25. [See p. 257K]

TRAVELERS REPORT. N.Y. Gov. Thomas E. Dewey in Seattle Aug. 20 after a tour of Korea, Formosa, Philippines, Hong Kong, Malaya, Indonesia, Indo-China, Australia, New Zealand: "We must keep the Reds from spreading to the breadbasket of Asia, which is in southeastern Asia—Malaya, Indo-China, Burma." "A decision on the help we are going to give free China" must be made "in the next 3 or 4 months." "The closer you get to the problems in the Far East, the less certain you become about the answers." He flew to Alaska Aug. 21 for a 6-day visit there. [See p. 227C-D]

Assoc. Justice William O. Douglas of the U. S. Supreme Court, in New Delhi Aug. 19 after a walking tour of the Kulu Valley near the India-Tibet frontier: The Reds have shifted much of central Asia's trade to the Soviet bloc and away from Pakistan & India, are using trade as a "potent weapon" for "pulling the border regions [Tibet, Sinkiang, etc.] toward the Communist camp." [See p. 50N-P]

Asst. Defense Secy. Anna M. Rosenberg in Washington Aug. 17 after a 2-week tour of U. S. bases in Europe & North Africa: U. S. troops in Gen. Eisenhower's command have "a new maturity—a new sense of responsibility" and "looked as good as they did at the height of their efficiency in the last war." [See pp. 258L, 244F]

Airstrip reconstruction projects in North Korea have nearly stopped and not more than 10 of 80 airstrips that once existed there are now in shape for use by Red planes, UN Hq. in Tokio said Aug. 19. But the Reds sent up 54 MIG-15s against 57 U. S. F-86 Sabres in a jet battle above the Sinuiju area near Manchuria Aug. 18; the U.S. reported one Red plane downed. UN planes concentrated on raids against Red road convoys in North Korea through Aug. 23. [See pp. 257J, 210G, 202N]

$100 million claim by South Korea against the U. S. for war damages was rejected by the U.S. Aug. 17. ROK Amb.-to-U.S. You Chan Yang had filed a request with the State Dept. Aug. 16 for immediate payment of the debt. The Koreans computed it at the rate of 2,500 Korean won to $1; the U. S. Army uses an exchange rate of 6,000 won-$1. U. S. Hq. in Tokio reported Aug. 17 that South Korea has received $336 million worth of UN relief in supplies, equipment & services. [See pp. 249K, 218M-N]

Anti-Red China embargo actions: Panamanian Pres. Alcibiades Arosemena signed a decree Aug. 18 prohibiting the 950 Panamanian-chartered ships (world's 4th largest merchant fleet) from carrying UN-embargoed goods to Red China and North Korea [see p. 241J-K]. Laos (Indo-China Kingdom) told the UN Aug. 21 it is guarding against traffic in war goods along its 190-mi. Chinese frontier. Burma froze all stocks of rubber tires Aug. 22, apparently to prevent their shipment to China. [See p. 250A]

Ethiopian troops are now in action for the UN on the Korean front, it was disclosed Aug. 16. [See p. 153K]

IRAN

British Oil Talks Collapse. Oil negotiations between Iranian Premier Mohammed Mossadegh and a British mission led by Lord Privy Seal Richard Stokes broke up in disagreement Aug. 22. The British failed to win an agreement with Iran on British technical operation of Iran's newly-nationalized oil industry. Stokes and his mission flew home Aug. 23. The British Cabinet announced same day it was prepared to use force to keep the Abadan refinery (world's largest) in British hands and protect its British personnel, although Britons will be withdrawn from Iranian oil fields. The British believe a near shutdown of the oil industry will have such severe effect on the Iranian economy that Iran will have to compromise.

During 18 days of talks in Teheran arranged by W. Averell Harriman of the U. S., Stokes made 2 proposals:

(1) The Natl. Iranian Oil Co. would set up a British operational agency to manage the oil fields and Abadan refinery. The agency would have several Iranian directors and be responsible to Natl. Iranian, but its British technicians would work under British supervisors. Its expenses would be paid by a British purchasing organization that would buy, transport and market Iranian oil and give 50% of its profits to Natl. Iranian.

Mossadegh rejected this plan and said Iran is willing to negotiate with Britain only on these points: sale of oil to Britain for its domestic needs (none for resale to other countries); compensation for seizure of British properties—provided Britain accepts counter-claims exceeding $280 million; conditions under which British technicians will stay at Abadan.

(2) Stokes then abandoned the idea of a British operational agency and suggested that the Natl. Iranian Oil Co. employ a Briton as general manager. Mossadegh also turned this down because it would mean a British boss for Iranian workers. He and his aides implied they suspected Stokes' proposals were tricks to perpetuate British control of Iranian oil. Mossadegh was under constant threat of assassination if he made a deal with Stokes that extreme Iranian Nationalists did not like. Moslem fanatics knifed 5 policemen during an anti-British riot in Teheran Aug. 17.

Although he had asked the British to continue negotiations, Mossadegh told his Parliament Aug. 22 he would not accept Stokes' proposals. He received confidence votes of 33-0 (3 abstentions) in the Senate and 72-0 (9 abstentions) in the Chamber of Deputies. Stokes then said further talks were useless and announced plans to go home. He declared that the British technical staff at Abadan Refinery "won't work except under competent British management."

Stokes argued to no avail during talks with Mossadegh that the Iranians cannot produce and sell their oil alone because they lack skilled technicians, equipment and marketing facilities. Harriman said in a letter to Mossadegh Aug. 21 that Iran could not market its oil without British aid, could not expect U. S. oil companies to undercut British firms and go to Iran's rescue. He implied that U. S. economic aid to Iran will be cut down or withdrawn if Iran does not work out oil arrangements satisfactory to the British. [See p. 261F]

OTHER FAR EASTERN DEVELOPMENTS

GOP Senators Back MacArthur. An 8-man Republican minority of the U. S. Senate Armed Services & Forgn. Relations Coms. said Aug. 19 that hearings on Gen. Douglas MacArthur's ouster proved the Truman Admin.'s Far Eastern policy has been the "most desolate failure in the history of our foreign policy."

The 8 issued their own review of the MacArthur hearings after the full committees voted 20-3 Aug. 17 (on motion of Sen. Leverett Saltonstall, R., Mass.) not to issue a formal report. Chrmn. Richard B. Russell (D., Ga.) of the Armed Forces Com. said the issuance of a report might "renew a bitter discussion of methods for waging war" and "would not help" Korean ceasefire negotiations and plans for a Japanese peace treaty. The 8 Republicans' statement was denounced in advance by Sen. Wayne Morse (R., Ore.), who said Aug. 18 his GOP colleagues had prepared a "highly partisan and biased" report which was actually bad political strategy. [See p. 218K]

The 8 Republicans who issued the statement were Sens. Styles Bridges (N. H.), Alexander Wiley (Wis.), H. Alexander Smith (N. J.), Bourke B. Hickenlooper (Ia.), William F. Knowland (Calif.), Harry P. Cain (Wash.), Owen Brewster (Me.), Ralph E. Flanders (Vt.) [see p. 218J]. They said they believed Senators who took part in the MacArthur hearings agreed that:

> Pres. Truman's method of removing MacArthur from command was ill advised; MacArthur violated no military directives and the Joint Chiefs of Staff did not initiate action to relieve him. MacArthur's administration of Japan was the only exception to "catastrophic" failure of U.S. policy in the Far East since World War II. The U.S. does not have enough military strength to show for defense expenditures of $94,682,000,000 in fiscal 1949-50 and $62,415,000,000 to be spent this year. The State Dept. & UN were responsible for lack of advance information on Korean Red war plans last year. U. S. failure to see that South Korea had an adequate army invited the attack. Publication of the Wedemeyer report [see p. 187D-E] might have alerted the U. S. to the danger in Korea. Congress must decide whether the President can again commit U. S. forces to fight for an international organization without a Congressional declaration of war. State Secy. Dean G. Acheson dabbled in military affairs in having MacArthur restrained from bombing Rachin (in North Korea near Siberia) [see p. 146M-N]. U.S. insistence on a Chinese coalition Govt. after World War II is hard to understand because of the record of Red treachery in such coalitions. The Truman Admin. is on shaky ground in condemning Chiang Kai-shek's Chinese regime for corruption; a Chinese might turn the tables by citing "deep freeze, pastel mink, RFC and organized crime and dope"—all references to recent U. S. scandals.

The 8 GOP Senators said they also hold these views, not shared by other members of the 2 committees:

> In the Yalta Conf. of 1945 the U. S. "yielded to Russian imperialism, and gave way to appeasement which will be regretted for decades." U. S. diplomats squandered the World War II victory in the Pacific by "making 450 million of our former Chinese allies into enemies." Congress should investigate anti-Chiang Kai-shek actions by U. S. officials in China during and after World War II. "Our former enemies (Japan, Germany, Italy) have

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received much more U. S. aid and assistance than our wartime ally and historic friend, the Republic of China." Mr. Truman and his advisers have been unduly interested in European defense at the expense of Asia. The Korean war is no mere "police action." A program to win the Korean war such as MacArthur advocates would involve no greater risk of World War III than "the calculated risk of provoking Russia in Europe." "The truth about the pro-Communist State Dept. group has not yet been revealed" and Mr. Truman has obstructed a full investigation.

Sen. Saltonstall issued a separate statement in which he called for support of Govt. officials "whether or not we like them personally" so the U. S. can present a united front to the world and "maintain the confidence of our friends." He said he believes the manner of MacArthur's dismissal "showed a lack of judgement and foresight" on Pres. Truman's part. He also commented that MacArthur offered a positive Korean policy while the Truman Admin.'s policy was to "win only by the wearing down of the Chinese Communists." [See p. 114M]

Charge Treaty Conference Snub. Aides of Gen. MacArthur said in New York Aug. 21-22 that Pres. Truman blocked plans for the general to address the Japanese peace-treaty signing conference (San Francisco Sept. 4-8) by leaving him off the U. S. delegation. Only way MacArthur will address the conference now, his aides indicated, is by a special invitation from the entire conference. State Secy. Acheson said Aug. 22 the U. S. Govt. wants MacArthur to address the conference but "obviously . . . is not in a position to issue an invitation on behalf of the conference." (In an exchange of letters with Japanese Premier Yoshida made public Aug. 23, MacArthur said Japan's restoration to full national stature through a peace treaty will have a "profound and beneficial influence upon the course of events in continental Asia." He said "adequate security forces should be maintained to safeguard Japan's internal peace against any threatened external attack.") [See p. 258E]

U. S. diplomatic officials said Aug. 18 they expect about 40 of the 51 nations invited to the San Francisco conference will sign the Japanese treaty. They also indicated that Viet Nam, Laos and Cambodia—French sponsored states in Indo-China—will be invited on France's insistence. Plans were made Aug. 17 to inaugurate U.S. coast-to-coast TV with telecasts of the conference [see Vol. IX, p. 78P]. Japan's Diet approved Aug. 18 a 7-member Japanese delegation headed by Premier Shigeru Yoshida, Liberal Party leader, and including members of 2 other major Japanese parties: Democratic, Green Breeze Society.

Poland followed Russia's lead and accepted an invitation to San Francisco Aug. 17. Indo-China's rebel Viet Minh Govt. demanded Aug. 16 that it be invited. Red China warned Aug. 21 that Japan will in effect declare war on Russia and Red China if it doesn't make a war-ending pact with them when it signs a peace treaty with the U. S. [See p. 258D, F]

Malaya. Singapore police Aug. 17 sealed the radio of a Chinese Communist ship anchored in Singapore for 19 months and suspected of broadcasting instructions to jungle terrorists. A report from Kuala Lumpur Aug. 18 said Malayan authorities have resettled 290,000 squatters (mostly Chinese) the past year to reduce chances of their joining the terrorists. [See p. 261P]

Indo-Chinese rebel field commander Gen. Nguyen Binh's field hq. was destroyed during a French drive Aug. 9-13 through a jungle area 28 miles north of Saigon, the French reported Aug. 20. [See pp. 243E, 171G]

EAST vs. WEST IN EUROPE

Soviet Exiles Form Council. 5 groups of exiles from the USSR formed a new Council for the Liberation of the Peoples of Russia in Stuttgart, Germany Aug. 17-20. The council will work for overthrow of Stalinist rule in the USSR. It will set up a radio station in Munich, its hq. city, to broadcast anti-Soviet propaganda into Russia. A council leader: Alexander Kerensky, 70, of New York, president of Russia's first post-revolution regime in 1917. Affiliated groups: League of Struggle for the People's Freedom, Natl.-Labor Alliance, Russian People's Movement, Union of Struggle for the Liberation of the Peoples of Russia, Union of Struggle for the Freedom of Russia. The new council is backed by the American Com. for the Liberation of the Peoples of Russia. Emigré nationalists and resistance groups from Ukraine, the Caucasus and central Asia refused to join the council because it would not recognize their independence claims. The Kerensky group favors plebiscites to determine whether non-Russian parts of the USSR will be autonomous or federated with Russia after the Reds are overthrown. [See pp. 254P, 139M, 19C-D]

U.S.-Soviet Relations. Pres. Truman transmitted to Congress Aug. 20 the recent "peace" message from Pres. Nikolai Shvernik of the USSR but said Shvernik gave "no assurance that there will be any changes in the hostile and expansionist policies of the Soviet Union which now threaten world peace." He said the Russians can "make progress toward peace" if they "stop flouting" the UN and supporting aggression in Korea in defiance of the UN, help establish peace with Germany, Austria and Japan; stop using force to impose unpopular regimes on other countries, stop supporting subversive movements in other countries, stop distorting motives and actions of other countries in Soviet propaganda, stop violating human rights, negotiate "in good faith" for disarmament and atomic control. [See p. 250C-G]

Russia said in a note to the U.S. (published Aug. 19) that U.S. cancellation of its 1937 trade agreement with Moscow contradicted Truman-Congressional friendship appeals. [See p. 242H]

Soviet Marshal Klementy Y. Voroshilov, Soviet Politburo member, in a Budapest speech Aug. 22, denounced the U.S. for "open brigandage" in the Far East and "unheard-of atrocities" in Korea, also said the Tito regime in Yugoslavia "cannot long continue." [See pp. 235B, 110H]

Youth Meetings. The Red World Youth Festival in East Berlin ended Aug. 19 with an anti-U.S. demonstration attended by 200,000 persons. Speaker for the U.S. delegation: Joy Silver, a woman in her 20s. The Reds said 2 million persons attended the Festival, added Aug. 20 that 80 million youths in 78 countries have enrolled in the Soviet-led "fight for peace." Dr. Reimund Mueller, 26, West German Youth leader, said in New York Aug. 16 the Reds had made much headway in their indoctrination of East German Youth. On the other hand, West Berlin officials said 750,000 Festival youths visited their sectors and would go home as witnesses that life is more attractive in the West than the East. U.S. High Comm. John J. McCloy spoke to 250 Eastern youths at the U.S. sector's RIAS radio station Aug. 17, took 11 of them home as his luncheon guests. U.S. State Secy. Dean G. Acheson's comment Aug. 22: the eagerness of Festival youths to visit West Berlin showed the "contempt" in which the Reds are held by people they rule. [See p. 258N]

The World Assembly of Youth at Cornell U. in Ithaca, N.Y. ended Aug. 21 with reelection of Maurice Sauve, 28, of Montreal as president. The 500 delegates from 64 non-Communist countries voted Aug. 14 in favor of a technical aid program, organized within the framework of the UN, for backward areas. [See 250J]

House Upholds U.S. Aid Cuts. The U.S. House passed and sent the Senate Aug. 17 a $7,498,750,000 omnibus foreign aid bill after cutting the economic aid section by another $350 million (to $1,485,750,000). Vote was 260-101 (179 D., 80 R., one Ind. for; 81 R., 20 D. against). Military aid for European and other allies approved by the House: $6,013,000,000. The bill provided for a new Mutual Security Admin. headed by an official of Cabinet rank to carry out the entire foreign aid program. [See p. 258L]

NATIONAL AFFAIRS

THE PRESIDENT

Asks $400 million Flood Relief. Pres. Truman asked Congress Aug. 20 for another $400 million to aid Midwest flood victims and establish a national flood-disaster insurance system similar to wartime war-damage insurance. He said physical damage exceeded $1 billion and income loss amounted to another $1 billion. 30,000 to 40,000 homes and 5 million acres of farm land were damaged. [See p. 252B]

(A House Appropriations subcommittee reported Aug. 19 that actual costs of 182 flood control and rivers-&-harbors projects would be at least $5,912,451,000 or 124% more than the original $2,638,517,000 estimate of the Army Corps of Engineers on the basis of which they had received Congressional approval. $800 million [30.6% of the authorization estimate] of the increase was due to "insufficient engineering planning and estimating," the subcommittee charged, the rest to price rises [70%] since approval and extensions of the projects for which the Army was not blamed.) [See p. 252B-C]

Bills Signed. (Aug. 10) Resolution authorizing M. S. Szymczak of Chicago to take a job with a Fed. Reserve member bank immediately upon resigning from the Fed. Reserve Board instead of waiting 2 years as required by the Fed. Reserve Act. (Szymczak, however, has announced no plans for early resignation.) [See Vol. VI, p. 237B] . . . (Aug. 16) Bill restoring U.S. citizenship to Americans who lost it by voting in Italian elections. (The Senate passed it by voice vote Aug. 6, the House Aug. 8.) [See

p. 60M-N] . . . Resolution giving the Agriculture Dept. $950,000 to import Mexican farm laborers under a U.S.-Mexican agreement. (The House passed it Aug. 9 and approved an Aug. 10 Senate amendment Aug. 13.) [See p. 255C] . . . (Aug. 21) Measure permitting Ute Indians in Utah to spend about $5 million of $17 million they won in a lawsuit against the Govt. on a rehabilitation program they worked out for themselves. (Colorado Utes won $15 million in the same suit.) [See Vol. X, p. 231C]

Urges Jobs for Handicapped. Pres. Truman Aug. 17 designated the week beginning Oct. 7 as Natl. Employ the Physically Handicapped Week. He said public employment services found 100,000 more jobs for handicapped persons last year than in the previous year—a 50% gain. He urged greater use of handicapped people in defense plants. [See p. 221N; Vol. IX, 283B]

CONGRESS

Rival Reports Assail RFC. Rival reports assailing RFC practices were submitted to the Senate Aug. 20 by a Democratic majority of the Senate Banking subcommittee which investigated the agency and by a 2-man Republican minority composed of Sens. Homer E. Capehart (Ind.) and John W. Bricker (O.).

The minority report charged that Pres. Truman and Dem. Natl. Chrmn. William M. Boyle Jr., "graduates of one of the most corrupt political machines in the history of any state," had allowed morality in government to sink "to the lowest ebb in the nation's history." The majority said the subcommittee's hearings had substantiated its Feb. 5 interim report (which Mr. Truman called "asinine") charging favoritism and influence in granting of RFC loans. The minority called for outright abolition of the RFC. The majority urged a careful study of the economic factors involved before taking such a step. [See p. 237A]

SEC Probes Scheduled. Investigations of the SEC and its relationship with the United Corp., a utility holding company, were promised by Chrmn. Frances E. Walter (D., Pa.) of the House Judiciary Com. Aug. 20 and by House Commerce Com. members Aug. 22. A Judiciary Com. staff report charged that the United Corp. was controlled by ex-SEC officials. Ex-SEC employes connected with United include William M. Hickey, the company's president, E. Carey Kennedy, its vice president, Edward Roll, assistant to the president, and John J. Burns, counsel and director. The report urged inquiry to see why the SEC did not order United's dissolution under the holding company act. The SEC and United replied that the holding company act gave such organizations the right to transform themselves into investment companies if they wanted to avoid dissolution and that United and most other holding companies did so. They denied any collusion and pointed out that the SEC's approval of this transformation took place in 1943, years after most of the ex-SEC men had left their Govt. jobs. [See Vol. IX, p. 367N]

House Overrides Vet Bill Veto. The House voted 318-45 Aug. 17 to override Pres. Truman's veto of a bill to increase pensions of war veterans disabled by non-service-connected causes. The vote was 76 more than the 2/3 needed to override. The measure was then sent to the Senate. [See p. 252E-F]

Defense Housing Voted. A $1.635 billion defense housing bill was passed by voice votes in the Senate Aug. 20 and the House Aug. 21 and sent to the President. The measure, designed to spur building in defense production areas and around military installations, increases Fed. Housing Admin. mortgage insurance authority by $1½ billion. It also provides $50 million for Govt.-built public housing, $60 million for community services where local financing is not available, $10 million to acquire housing sites in isolated defense areas and $15 million for loans to producers and distributors of prefabricated houses. It relaxes credit terms on new houses costing less than $12,000. Down payment would be as low as 4% of the purchase price for a house costing $7,000 or less if bought with a GI loan, 10% under regular FHA plans. [See p. 117A]

Appropriations Approved. A compromise $6,162,825,175 "independent offices" appropriation to operate about 30 federal agencies was passed by a 290-80 House vote Aug. 13 and Senate voice vote Aug. 16 and sent to the President. It authorizes building of 50,000 low-rent public housing units in fiscal 1952 instead of limiting such construction to 5,000 units as the House had demanded in an earlier version of the bill. The measure provides $3.9 billion for the Veterans Admin. and $1 billion for the Atomic Energy Comm., raising U. S. atomic investment to $7½ billion. It requires a 10% cut in payrolls. [See p. 205D]

3 bills giving the Labor Dept. and Fed. Security Agency $2,512,004,270, the Agriculture Dept. $802,988,000 in cash and $262 million in loan authorizations and the Interior Dept. $511,865,336 for fiscal 1952 were passed by the House Aug. 17 and the Senate Aug. 20 and sent to the White House. $260 million of the Agriculture funds will go for soil conservation payments to farmers under a compromise agreement. The 3 bills require with some exceptions 10% payroll cuts. [See p. 259K]

The first appropriation bill of the current fiscal year to be passed by Congress—a $138,216,000 allotment to finance the District of Columbia—was approved by both houses and sent to the President Aug. 1. [See p. 17F-G]

Other Bills Passed. Senate action: (Aug. 21) Measure authorizing the signing of union shop agreements without a shop election; approved by voice vote and returned to the House. (It validates union shop pacts overturned by the Supreme Court.) [See p. 6K] . . . Legislation extending Govt. ship construction subsidies to all vessels "in foreign trade," lowering the minimum age at which a vessel could be "traded in" to the Maritime Comm. from 17 years to 12 and allowing tax-exempt reserve funds to be used for reconstructing and reconditioning ships as well as for construction; passed by voice vote and sent to the House. [See p. 188L] . . . (Aug. 22) Bill putting a new, 4-year sugar control law (import and domestic output quotas) into effect Jan. 1, 1953 when the current law expires; approved 72-4 and sent to the President. (The House passed it Aug. 13.) [See Vol. X, p. 278P]

LABOR

Pay Rulings. Curbs on bonus and profit-sharing payments to company officers, executives and salaried employes were imposed by the Salary Stabilization Board Aug. 20. Total bonuses paid by an employer this year may not exceed (a) the 1950 total or (b) 1/3 the total of any 3 years during the 1946-50 period. This total may be increased if the number of employes involved increases but must be reduced if employment drops. Bonuses to individual employes may be increased but may not exceed the highest bonus paid in the past. The curb is harsher than a Wage Stabilization Board regulation which sets no ceilings for bonuses under union contracts. [See pp. 245E, 221M]

Economic Stabilization Admin. Eric A. Johnston approved Aug. 17 a new WSB policy of allowing wages to rise with the cost of living. The immediate effect is to increase the board's ceiling on raises from 10% above Jan. 1950 levels to about 12% as a result of living-costs rises. The WSB then applied the policy for the first time by approving a 6½% raise for 90,000 members of the CIO Textile Workers employed by New England cotton-&-rayon manufacturers. [See pp. 245E, 93J]

Johnston Aug. 20 appointed an emergency wage panel to handle rail and air transport pay disputes. It will function only 30 days. Chairman: William M. Leiserson. [See p. 118A]

Connecticut's Civil Rights Comm. Aug. 17 ordered the AFL Intl. Bro'hood of Electrical Workers to admit 2 Negroes as members of Local 35 of Hartford. It accused the union of discriminating against Negroes. [See p. 101M] . . . **CIO Intl. Union of Electrical Workers** defeated the United Electrical Workers for representation of 17,000 workers in an election at Gen. Electric's Lynn, Mass. plant Aug. 16. [See p. 198C-D] . . . **Defense Dept.** announced Aug. 20 that military personnel have been authorized to take part-time jobs in any area where the public employment service certifies there is a labor shortage and employment of military personnel will not interfere with civilian jobs. [See p. 197P] . . . **Raises** announced Aug. 17: 5¢ hourly for 20,000 members of the CIO Fed. of Glass & Silica Sand Workers employed by Libby-Owens-Ford Glass and Pittsburgh Plate Glass; 4¢ an hour or 4% for 8,800 members of the AFL Intl. Bro'hood of Electrical Workers employed by the Raytheon Mfg. Co. [See p. 260K] . . . **Michael J. Quill,** president of the CIO Transport

LABOR STATISTICS

	July	June	July 1950
Employment*	ʳ62,526,000	61,803,000	61,214,000
Non-farm‡	46,389,000	46,563,000	44,096,000
Unemployment*	1,656,000	1,980,000	3,213,000
	July 1	June 1	
Federal civilian employment†	2,489,531	2,444,358	
	ᵗune	May	June 1950
Strikes started‡	375	400	425
Workers involved‡	190,000	150,000	260,000
Man-days strike idleness‡	1,600,000	1,750,000	2,750,000
Avg. weekly mfg. pay‡	$65.44	$64.55	$58.85
Avg. weekly mfg. hours‡	40.8	40.7	40.5

*Census Bureau †Civil Service Comm. ‡Bureau of Labor Statistics ʳRecord

Workers Union, gave a union charter to 120 N.Y.C. policemen Aug. 22. N.Y.C. Corporation Counsel John P. McGrath said in N.Y. State Supreme Court Aug. 16 the city's ban against police unions was directed specifically against Quill as "an irresponsible leader to whom a lie is a tool." [See p. 260M]

ARMED FORCES

Atomic Sub Ordered. The Navy announced Aug. 21 that it has given the Electric Boat Co. of Groton, Conn. a contract to build "the first nuclear [atomic] powered submarine." It could cruise underwater indefinitely and launch guided (probably atomic) missiles from coasts of enemy countries. A "dry-land model" of the power plant was believed completed at the Atomic Energy Comm.'s Arco, Ida. laboratories. [See p. 62P]

The Navy revealed Aug. 20 that its $2.4 billion 2-year construction program includes conversion of a sub to fire guided missiles and of 3 more *Essex*-class carriers to handle jet atomic bombers. (Adm. William Morrow Fechteler, sworn in Aug. 16 as Chief of Naval Operations, said Aug. 12 that the carrier was the Navy's "offensive spearhead," but that the battleship was essential in the carrier task force.) [See p. 243G]

The *Trout*, the 3d of the Navy's new fast attack submarines, was launched in Groton Aug. 21. It is of the same class as the 1,600-ton *Tang* and *Trigger* which were launched in June. 3 more are being built. The House voted the Navy an additional $9 million Aug. 2 to finish work on the *Tang* and *Trigger*, bringing the total cost of the 2 up to $50 million. [See p. 7F]

(A report to the Senate revealed Aug. 19 that the Army has more boats in service—more than 2,000 non-combat vessels such as ferries, barges, tugs, dredges—than has the Navy, which had 1,044 ships in active service June 30.) [See p. 149M]

Civil Defense Funds Slashed. $469,745,000 (87%) was cut from Pres. Truman's $535 million civil defense request by House action Aug. 20. The remaining $62,255,000 was approved as part of a $1,586,587,316 supplemental emergency defense appropriation (reduced from a $2,302,871,114 request) passed by House voice vote and sent to the Senate Aug. 20. The cut was made despite Civil Defense Admin. Millard F. Caldwell's warning Aug. 16 that intelligence reports indicate Russia has "a much heavier type" A-bomb than the U. S. used on Hiroshima and Nagasaki. "In our present state of unawareness and unpreparedness," he said, 6 U. S. cities would suffer a total of 1,000,000 casualties from one A-bomb each, possibly destroying U. S. "will to fight and win." He said Aug. 19 that no U. S. city "has even approached the point where it could withstand an atomic attack" and that the Air Force could not prevent attack. Rep. Melvin Price (D., Ill.), fighting the cut Aug. 20, warned that Russia "is not as laggard as we are. They have 20 million trained civil defense workers." Among other cuts in the appropriation: The Economic Stabilization Agency's $141,830,000 request was reduced to $75 million. [See pp. 229A, 204N-P]

Ex-OSS Men Deny Murder. 2 ex-OSS men accused of murdering Maj. William V. Holohan behind Nazi lines in Italy in 1944 proclaimed their innocence Aug. 17-18 but said they would fight extradition to Italy where authorities were planning to try them *in absentia* if extradition is denied. Ex-Sgt. Carl G. LoDolce, 29, in Rochester Aug. 17 said his 8-page "confession" to the crime was "incomplete and false." He admitted that it was in his own handwriting but insisted that "the [complete] facts will prove that I am completely innocent." Ex-Lt. Aldo Icardi in Pittsburgh Aug. 18 also denied the charges but offered to rejoin the Army "and face a military court." (The Army Judge Advocate's office said Aug. 20 that the Army would have no jurisdiction over the case even if Icardi joined up again.) Icardi said Holohan "was in favor of supplying the Communists on a fair basis just as other Partisan groups." He and Pentagon spokesmen denied that Holohan carried $100,000. They set the figure as closer to $14,000 or $16,000. [See p. 259L-N]

Col. Kenneth E. Fields, 42, was appointed director of the Atomic Energy Comm.'s atomic weapons program Aug. 21. . . . **Detroit Arsenal** command has been shifted from the Ordnance Tank-Automotive Center to the Office of the Chief of Ordnance (reported Aug. 10). [See pp. 252P-253A] . . . **48 women leaders** were appointed to one-year terms as a Defense Advisory Com. on Women in the Armed Forces Aug. 11. They will aid Asst. Defense Secy. Anna M. Rosenberg. [See pp. 180K, 149N] . . . **Navy** announced involuntary recall Aug. 21 of 250 reserve chaplains because too few have volunteered. 650 are already on active duty. [See pp. 221G, 7D] . . . **Ewing W. Mays** of Little Rock, Ark., legless veteran of World War II fighting in Italy, was elected commander of the Disabled American Veterans in Milwaukee Aug. 17. [See Vol. X, p. 269C-D] . . . **Audrey Bonser** of Chicago was elected president of the Women's Army Corps Veterans Assn. in Boston Aug. 19. . . . **Delaware Memorial Bridge,** a $44 million Delaware-New Jersey link across the Delaware River, was dedicated Aug. 15 as a memorial to the World War II dead of both states.

BERNARD M. BARUCH'S comment Aug. 19, his 81st birthday (in N.Y.): "We've got 2 great enemies—Russia and inflation." "You can overcome anything if you don't bellyache." [See 259H]

COMMUNISM

Remington Conviction Reversed. The perjury conviction of William Walter Remington, 33, ex-Commerce Dept. economist, was unanimously reversed by the U. S. Court of Appeals in New York Aug. 22. He had been sentenced to 5 years in jail and fined $2,000 on charges that he swore falsely when he told a federal grand jury he had never been a Communist Party member. Chief Judge Thomas W. Swan and Judges Augustus N. & Learned Hand held that Fed. Dist. Judge Gregory F. Noonan, the trial judge, made his charge to the jury "too 'vague and indefinite' " to guide it. The Appeals judges questioned whether Remington's actual membership in the CP had been proved. They recommended a new trial. [See p. 52E]

6 More Seized. The FBI rounded up 6 more "2d string" Communist leaders Aug. 17 in its 4th crackdown since June, bringing the number arrested up to 41. They were charged with conspiring to teach and advocate forcible overthrow of the Govt.

The 6 arrested:

Steve Nelson, 47, Yugoslav-born ex-chrmn. of Dist. 7 (western Pa.) accused by the House Un-American Activities Com. of forming a Red cell at the U. of Calif. Radiation Lab. during World War II and stealing atomic secrets for Russia; former political commissar (ranked as lieutenant colonel) in Spanish Loyalist Army; picked up in Philadelphia; bail set at $100,000 but cut to $20,000 Aug. 22. [See Vol. X, p. 417J]

Irving Weissman (George Amery), 38, N.Y.-born ex-chrmn. of Dist. 22 (W. Va.), now at CP's natl. hq.; seized in N.Y.; bail: $35,000.

William Albertson, 41, Russian-born ex-Dist. 7 (Detroit) trade union secy., superviser for western Pa.; arrested near Flat Rock, Mich.

Benjamin Lowell Careathers Sr., Chattanooga-born CP treasurer for western Pa.; seized in Pittsburgh; bail: $100,000.

James Hulse Dolsen (J. Brown), 65, charter CP member, Daily Worker rep. for western Pa.; seized in Pittsburgh; bail: $100,000.

Andrew Rudolph Onda, 46, steel organizer for western Pa.; picked up in Pittsburgh; bail set at $100,000. [See p. 253D]

Senate Inquiry. Whittaker Chambers, ex-Red courier, told the Senate Internal Security Subcom. Aug. 16 that Frederick Vanderbilt Field and Joseph Barnes had been identified to him as members of a N.Y. Communist underground cell. He said this information was given to him in 1937 by J. Peters, Hungarian-born Communist leader who returned to Hungary 2 years ago. Peters told him that Leon de Caux, ex-trustee of the Institute of Pacific Relations, was also a Communist, Chambers said. He said that the late ex-Asst. Treas. Secy. Harry Dexter White supplied information for the Communists. [See Vol. X, pp. 277M, 68A]

Louis F. Budenz, ex-*Daily Worker* editor, appeared before the subcommittee Aug. 22 and identified as Communists: Field, Barnes, Owen Lattimore, T. A. Bisson (ex-acting editor of *Pacific Affairs*), Harriet Lucy Moore (ex-acting IPR secretary), Ben Kizer of Seattle (IPR trustee) and the late Maj. Gen. Evans F. Carlson, World War II Marine hero and ex-IPR contributor. He said the IPR was a Communist "captive organization" described by Red "cultural commissar" Alexander Trachtenberg as "the little Red schoolhouse for teaching people in Washington how to think of the Soviet Union in the Far East." [See p. 130F]

Canada's Embassy in Washington protested Aug. 18 Subcom. Counsel Robert Morris' naming of Egerton H. Norman, chief Canadian delegate to the UN, as an ex-Communist Youth member. Norman denied the charge. He will be Canada's chief adviser for the Japanese peace treaty conference. [See 179N, 259P]

CRIME INVESTIGATIONS

Senate Hearings End. The Senate Crime Investigating Com. held its last public hearing Aug. 17 after 14 months of delving into organized crime and its political ramifications. Its tenure ends Sept. 1. Sen. Alexander Wiley (R., Wis.), a member of the group, proposed Aug. 18 that the Senate set up a permanent committee to continue the job. [See p. 253P]

Recent Senate Crime Investigating Com. developments:

Senate Backs Televising. Televising of Crime Com. hearings received virtual Senate approval Aug. 10 in a 38-13 vote rejecting a move by Sen. Harry P. Cain (R., Wash.) for withdrawal of contempt citations against 2 witnesses who refused to testify before TV cameras. This apparently left final decision up to the courts. The committee itself barred radio, TV, newsreel and still photo coverage of open hearings Aug. 15 due to objections of Irving Sherman, a witness, but ended the ban Aug. 16.

Sherman on O'Dwyer. Sherman, a N.Y. dress manufacturer and underworld figure, told the committee Aug. 15 he raised funds for Amb.-to-Mex. William O'Dwyer's 1945 N.Y. mayoral campaign and then was directed by O'Dwyer to leave town 4 or 5 weeks before election so as not to be available for questioning when the newspapers delivered an expected "blast." Sherman said O'Dwyer's message to leave was delivered by the late Detective John J. Gorman, who served as a police rookie with O'Dwyer and introduced O'Dwyer and Sherman in 1941 or 1942. Sherman said his friendship with O'Dwyer ended after he returned from this 1945 exile and O'Dwyer refused to see him. He admitted accompanying O'Dwyer to Frank Costello's N.Y. apartment while O'Dwyer was in the Army in 1942 but denied arranging the meeting or knowing what went on at it. He said ex-N.Y. Water Comm. James Moran arranged it. [See pp. 140N, 141C]

Zwillman Accused. Ex-bootlegger Abner (Longy) Zwillman, 47, was described by Crime Com. witnesses Aug. 16-17 as a powerful N.J. political manipulator. Zwillman, reported to be cruising along the Atlantic Coast on one of 3 yachts as a fugitive from a committee subpena [see p. 100G], was considered by the committee as "bigger than Frank Costello." James A. Bishop of Teaneck, N.J. testified that Zwillman, through an intermediary, offered $300,000 for ex-State Sen. Elmer Wene's (D.) 1949 N.J. gubernatorial campaign provided he could name the state attorney general but that Wene refused to deal with him and was beaten by Alfred E. Driscoll (R.), present governor [see Vol. IX, p. 364A]. It was also revealed that ex-N.J. Gov. Harold G. Hoffman (R.) was toastmaster at a testimonial dinner for Zwillman in 1949. Ex-Treas. Intelligence Officer Earl A. Baldwin said Zwillman was a key man in the Joseph H. Rheinfeld syndicate which handled 40% of the illicit liquor imported into the U.S. during Prohibition and made $50 million in 6 years. Baldwin charged that "members of the Rheinfeld mob" stole confidential federal income-tax reports on syndicate members and that the reports were later used by James (Niggy) Rutkin, a syndicate member, when he sued Rheinfeld on charges that he was cheated of $22 million in a final accounting of syndicate profits. Rutkin is free on bail after a conviction of evading income taxes on $250,000 he extorted from Rheinfeld. [See Vol. X, p. 352P]

Gambling Testimony. Pa. State Police Capt. Harry E. McElroy told the committee Aug. 7 that Louis Cohen, who was presumably hiding out in Florida, heads interstate lotteries that rake in $20 million a year from Pennsylvania alone. McElroy said that Joseph Size of Scranton, Pa., who earlier Aug. 7 had refused to answer many committee questions or surrender records, was Cohen's chief aide. McElroy said gambler Jimmy Mack (born Vincenzo Maccaroni) had unsuccessfully tried to bribe Detective Sgt. William Hartman to "lay off" Cohen. Mack denied the bribe offer but admitted operating a numbers game and slot machines in the Scranton area. Sheriff Carleton Beall of Prince Georges County, Md. told the committee Aug. 17 that Charles E. Nelson, 56, Maryland gentleman farmer, racing stable owner and alleged numbers racketeer, offered him a $5,000 bribe to reopen the county to gambling but that he refused and reported the offer to the state's attorney. Nelson was also ducking the committee's sessions. Committee counsel Downey Rice said Nelson's numbers racket grossed $45,000 to $50,000 a week in the District of Columbia.

Mason Indicted. Samuel D. Mason (born Mussman), Russian-born ex-convict who admitted to the Senate Investigating Com. July 20 that he sold "influence" in Washington for $100,000 (Com. Chrmn. Clyde R. Hoey [D., N. C.] put the figure at $350,000), was indicted for perjury and larceny in Washington Aug. 14. 2 N. Y. Greek Catholic priests testified July 19 that they gave him $150,000 to $200,000 of their church's money in hopes of reaping rich profits for the church by getting leases on federal buildings that the Govt. would vacate when it shifts to atom-proof underground quarters. Other witnesses told similar stories. Mason said he gave the money to a "Mr. Eungart" who, he said, actually had the influence, is now in Australia.

Other Inquiries. Meantime 7 separate crime and gambling inquiries were under way in New York. One was by a State Crime Comm. Saratoga Sheriff Frank Hathorn (R.), 68, whose ouster had been demanded by a grand jury investigating Saratoga gambling, resigned Aug. 17. [See p. 254C] . . . 37 Cincinnati policemen were relieved of duty Aug. 7 after Edwin G. Melzer, owner of an auto-towing firm, told a City Council committee that he paid them "kickbacks" for letting him handle auto wrecks. Among those accused were a lieutenant and Patrolman Beverly Thomas, "Cincinnati's Man of the Year" in 1949 . . . Treasury agents in Chicago Aug. 21 reported forcing 57 Illinois, Wisconsin, Michigan, Indiana and Ohio underworld figures to pay more than $1 million in "overlooked" income taxes and penalties the past 5 months. 6,000 cases are being investigated.

FOREIGN AFFAIRS

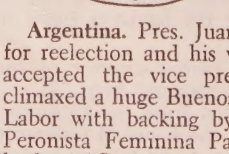
Britain. The Board of Trade reported Aug. 21 that the price index of British imports dropped from 143 in June to 142 in July, first drop since start of the Korean war (100: 1950 level). The Govt. announced Aug. 17 that British auto makers will be permitted to sell only 80,000 cars in the U. K. next year. The rest of an estimated 500,000 to be produced in 1952 will be exported. Britain disclosed Aug. 17 it is spending $800,000 a year on publicity in the U. S. [See pp. 245J, 45M] . . . Meat rations were increased and cheese rations cut Aug. 19. Steel rationing will be reimposed Dec. 3 (announced Aug. 16). [See pp. 261A, 245K, 133J-K] . . . The Treasury said Aug. 17 that 500,000 workers will be transferred from civilian production to defense work in the next 2 years. [See p. 260P]

Princess Margaret Rose celebrated her 21st birthday Aug. 21. [See p. 182J] . . . Sir Francis Edward Evans, ex-British Consul Gen. in New York, was appointed Amb. to Israel Aug. 20 to succeed Sir Alexander Knox Helm, new Amb. to Turkey.

Yugoslavia. The Yugoslav press Aug. 21-22 confirmed reports that independent peasant farmers are lagging on the harvest and withholding wheat deliveries to the Govt. in a revolt against farm collectivization and the Govt.'s price for requisitioned wheat. People's Front newspapers conceded that many peasants hate the Red farm program and that wheat deliveries are only 37% up to schedule in Croatia and 32.5% in Serbia. They said weather conditions this year favored a big crop and called for steps to overcome "the resistance of the small producers." The Govt. canceled collective farm debts to the State Bank for new farm buildings and equipment to increase earnings of collective-farm peasants, it was revealed Aug. 13. Last of 520,575 tons of U. S. food sent Yugoslavia under the $69.2 million in food aid for drought relief arrived Aug. 8. [See pp. 259B, 235C, 150M]

It was disclosed Aug. 3 that Yugoslavia has extended economic decentralization to its zone of Trieste and raised wage and social insurance rates there to higher levels than prevail in Yugoslavia proper. Purpose: to combat Italy's campaign for repossession of Trieste. [See pp. 246B, 230C]

Canada raised some freight rates 5% for eastern railroads and 4% for western lines Aug. 16 to correspond with a raise granted U.S. lines [see p. 255G; Vol. X, 309P]. 1950 Canadian grain crop estimates Aug. 15: a record 582 million bu. of wheat, 497 million bu. of oats, 251 million bu. of barley. [See pp. 262N-P, 237L-M] . . . **Czech** Archbishop Josef Beran and 250 other imprisoned priests are being subjected to "humiliating" treatment in a "concentration monastery" in Nova-Rise, Moravia, the Czech Catholic news service Veritas reported in Rome Aug. 16. [See pp. 254P-255A] . . . **Egyptian** court in Alexandria acquitted 28 leading cotton merchants Aug. 20 of fraud in failure to make good on deliveries in June 1950 after 2 dealers cornered the market on medium staple Egyptian cotton. Speculators would have been bankrupted had they fulfilled deliveries at high prices caused by the coup. [See Vol. X, p. 189L] . . . **Indian** Communist leader S. A. Dange, who went underground a year ago, came out of hiding in Bombay Aug. 17. He jumped bail last year after his arrest for violation of a ban on public meetings during a strike. [See p. 261E-F] . . . **Indonesia** announced arrests of 200 more suspected revolutionary plotters in East Java Aug. 18. Most were said to be Communists and fellow travelers. [See p. 261N-P] . . . **Thailand** signed an agreement Aug. 17 to sell 125,000 tons of natural rubber to the U. S. through 1952. [See pp. 259A, 230M, 226B-C] . . . **Tibet's** Dalai Lama and his Cabinet, traveling with a caravan of 900 mules, reentered Lhasa Aug. 17 after a trip from Yatung, on the Indian frontier. Gen. Chang Ching-wu has set up hq. in Lhasa as Chinese Red mission chief. [See p. 219D]



LATIN AMERICA

Argentina. Pres. Juan Domingo Perón agreed Aug. 22 to run for reelection and his wife, Señora Eva Maria Duarte de Perón, accepted the vice presidential nomination. Their acceptances climaxed a huge Buenos Aires rally staged by the Gen. Confed. of Labor with backing by the Peronista Party and Señora Perón's Peronista Feminina Party. Tone of speeches at the rally were both anti-Soviet and anti-U.S.; parade posters denounced the U.S. as Argentina's "worst enemy." Descartes' column, believed to be written by Perón, said in the Govt. newspaper *Democracia* Aug. 16 that "gauleiters of the Kremlin" and U. S.-backed "democratic unions" both menace Argentina. [See pp. 262D, 190M-N]

Dr. Francisco Scarabino, publisher of *La Acción* in Rosario, 2d largest Argentine newspaper, was arrested Aug. 14 on charges of disrespect of Santa Fé Province's Governor. [See p. 255C]

Argentina made an agreement with Bolivia Aug. 21 to invest $43 million in Bolivian public works at a rate of $3 million a year and $7.2 million a year in work of a new joint Argentine-Bolivian economic development society. [See pp. 246J, 182P]

Venezuela. The Junta decreed an end Aug. 18 to a strike by cable & radio workers. Their wage & job security claims were referred to arbitration. [See pp. 255E-F, 238H] . . . Venezuela signed a 4-year agreement Aug. 10 for U. S. Army experts to help train its armed forces. [See p. 102P] . . . Chile resumed diplomatic relations with Venezuela Aug. 9 after a 3-year lapse.

Dutch West Indies petroleum industry workers' strike in Aruba ended Aug. 15 when the Lago Oil Co. granted a 16.1% wage increase. [See Vol. IX, p. 102P] . . . **Guatemalan** Govt. shifted Col. Anselmo Getella from police director to chief of the Presidential staff Aug. 19 to satisfy students who blamed him for armed attacks on anti-Communist demonstrators. New police chief: Col. Felipe Antonio Girón. [See p. 262E-F] . . . **Nicaraguan** Pres. Anastasio Somoza proposed Aug. 15 that armed forces of the U. S. and all Latin American republics be unified under joint chiefs of staff and with standardized weapons, uniform rules and methods. [See pp. 250M, 215L, 183A]

ARTS & SCIENCE

Sheba Ruins Found. American explorer Wendell Phillips, 29, said in London Aug. 17 he had found what he believed were the 3,000-year-old ruins of the Queen of Sheba's ancient capital buried under 70 ft. of sand at Marib, Yemen (southern Arabia). Full-scale excavations will start this fall. [See p. 231F]

Canadian Crater. Measurement of the mysterious Chubb Crater in northern Canada this summer showed it to be the world's deepest, 1,350 ft., the Natl. Geographic Society reported in Washington Aug. 20. The crater, discovered 2 years ago, is more than twice as deep as Arizona's Diablo Crater.

Theater Trust Cases. The practice of requiring a reasonable lapse of time between showings of films in neighboring communities or theaters in the same area was upheld by U. S. Dist. Judge Leon R. Yankwich in Los Angeles Aug. 17. He held it was no anti-trust law violation as charged by Fanchon & Marco, Inc., theater operators, in a $300,000 damage suit against 6 major distributors and a rival theater chain. . . . Fed. Dist. Judge John P. Barnes in Chicago July 31 ordered 20th Century-Fox to temporarily continue supplying Cincinnati's Valley Theater with first-run films. The Valley Theater and 2 other Cincinnati theaters were fighting a distribution system under which first run films allegedly went exclusively to 8 downtown Cincinnati theaters . . . 8 Shubert-controlled companies which own and operate 15 Broadway legitimate theaters filed a federal anti-trust suit in New York Aug. 16 charging 5 newspapers (*N.Y. Daily News, Times, Herald Tribune, Jounal-American* and *Post*) and the Hearst Corp. and Hearst Consolidated Publications, Inc. with discrimination in selling advertising space. [See Vol. X, p. 61P]

Washington Bias Blocks Opera. The Metropolitan Opera Assn. Aug. 21 dropped plans to book a road company of *Die Fledermaus* into Washington after the only suitable theater refused to lift its ban on seating Negroes. The move came at the request of Actors Equity, which has jurisdiction over *Die Fledermaus*. [See Vol. VIII, p. 247G]

N. Y. Ends Rainmaking. New York City ended its rainmaking program Aug. 22. The city's meteorological equipment will be turned over to Hunter College. [See Vol. X, p. 192A]

Ex-Rep J. Parnell Thomas, 56, took over Aug. 9 as editor-publisher of 3 weekly newspapers in Ridgewood, Glen Rock and Ho-Ho-Kus, N. J. [See p. 29M; Vol. X, 269P]

NEW BOOKS

DIZZY: The Life & Personality of Benjamin Disraeli, Earl of Beaconsfield, by Hesketh Pearson. Biography. Aug. 22. (Harper, 303 pp., $4)†

THE DARK & THE DAMP, by Jock Wilson. Autobiography of man who spent his youth in coal mines. Aug. 17. (Dutton, 256 pp., $3)†

HORNS OF THE DEVIL, by Louis Malley. About Sicilian Mafia activities in N.Y. (Appleton-Century-Crofts, $3)*

THE MASTER ART FORGER, by John Godley. Story of Hans van Meegeren. Aug. 20. (Wilfred Funk, 223 pp., $3)† [See Vol. VII, p. 416A]

THE MANGO ON THE MANGO TREE, by David Mathew, Roman Catholic titular Archbishop of Apamea, East Africa. About travelers in Africa. Aug. 20. (Knopf, 260 pp., $3)*

MR. SMITH, by Louis Bromfield. Man on a Pacific island writes his autobiography. Aug. 22. (Harper, 278 pp., $3)*

O, THE BRAVE MUSIC, by Dorothy Evelyn Smith. About pre-World War I England. Aug. 20. Sept. Literary Guild choice. (Dutton, 256 pp., $3)*

QUEST FOR THE LOST CITY, by Dana & Ginger Lamb. Exploration in land of the Mayas. Aug. 22. (Harper, $4)†

TI-COYO & HIS SHARK, by Clement Richer. Fable about boy and his pet shark. Aug. 22. (Knopf, $3)*

TRUTH IN THE NIGHT, by Michael McLaverty. Life on rugged island off Irish coast. Aug. 21. (Macmillan, 218 pp., $3)*

THE UNITED, by Carlos P. Romulo. Young man tries to find himself politically. Aug. 17. (Crown, 310 pp., $3)*

*Fiction †Non-Fiction

EDUCATION & RELIGION

College Costs Up. College tuition fees in the U. S. are 400% higher than 50 years ago and may go still higher, the AP reported Aug. 18 after a survey. Annual expenses of attending college are at least $1,800 now as against $350-$500 half a century ago. [See p. 239G; Vol. X, 311G-H]

Jewish Groups Studied. The 6 member groups of the Jewish Natl. Community Relations Advisory Council (Amer. Jewish Com., Anti-Defamation League of B'nai B'rith, Amer. Jewish Congress, Jewish War Veterans, Jewish Labor Com., Union of Amer. Hebrew Congregations) have been advised to revise their structure, methods and financing, it was reported Aug. 21. The recommendations were made by Columbia U. Prof. Robert M. MacIver in a study commissioned by the council. The report urged reallocation of functions to reduce duplication and greater stress on community activities.

NEW EXECUTIVES

Organization	Executive	Post	Date
Intl. Luth. Laymen's League	E. C. Jacobs	Pres.[1]	July 3
Natl. Council of Young Men's Christian Assn.	Harper Sibley of Rochester, N.Y.	Pres.[1]	June 24
Queens Coll. (Charlotte, N.C.)	Dr. Charlton C. Jernigan	Pres.	July 7
Rom. Catholic Church: Berlin	William Weskamm	Bishop	July 5
Rumanian Orthodox Episcopate of America	Dr. Viorel Trifa	Bishop[4]	July 31
Southern Baptist Theological Seminary	Dr. Duke K. McCall, 36	Pres.	Aug. 2
State College for Teachers (Buffalo, N.Y.)	Dr. Harvey M. Rice, 44	Pres.	Aug. 7
State University of N.Y.	Charles Garside	Actg. Pres.[2]	Aug. 15
U. of Akron	Dr. Norman P. Auburn, 46	Pres.	June 29
U. of Kansas	Dr. Franklin D. Murphy, 35	Chancellor[3]	July 2
U. of Santa Clara	Rev. Herman Hauck, 39	Pres.	July 3
RETIREMENTS			
U. of Mo. School of Jnlsm.	Dr. Frank Luther Mott, 65	Dean	July 1

[1]Reelected [2]See p. 200B [3]See p. 104M-N [4]Succeeding Policarp Morusca who was reported to be in a Communist prison in Rumania

OBITUARIES

Oscar H. Benson, 76, founder of Agriculture Dept.'s 4-H Clubs for farm youth, ex-director of Boy Scouts' Rural Scouting Service; Aug. 15 in Gettysburg, Pa.

Ritchie G. Betts, 82, ex-editor of cycling and sporting goods magazines, founder and ex-pres. of Fed. of American Motorcyclists, ex-AAU board member; Aug. 19 in White Plains, N.Y.

John P. Bickell, 66, Canadian mining financier who served on wartime British Airplane Supply Board; Aug. 22 in N.Y.

Dr. Harald Blegvad, 65, Danish biologist, authority on marine life; Aug. 2 in Copenhagen.

Otis (Doc) Crandall, 64, star pitcher for John McGraw's 1911-13 N. Y. Giants; Aug. 17 in Bell, Calif.

Raoul Dautry, 71, engineer, director of French atomic research, ex-Armaments and Reconstruction Min.; Aug. 21 in Loumarin, France. He had been director general of state railways and of France's postal & telegraph system and president of the Gen. Transatlantic S.S. Co. (French Line). [See Vol. V, p. 373M]

Lord Dugan of Victoria (Maj. Gen. Sir Winston Dugan), 74, ex-Gov. of So. Australia and Victoria, Acting Gov. Gen. of Australia 1947; Aug. 17 in London.

Charles A. Fulton, 67, ex-pres. of Amer. Inst. of Mining Engrs. and of Southern Phosphate Corp; Aug. 16 in Baltimore.

Constant Lambert, 45, British composer, conductor, ex-musical director of the Sadler's Wells Ballet; Aug. 21 in London.

James C. Leech, 54, ex-VMI football star who set natl. scoring mark in 1920 with 210 pts.; Aug. 18 in Hamden, Conn.

Jasper McCoy, 84, reportedly last feuding member of McCoy clan (Hatfields & McCoys); Aug. 16 in Zebulon, Ky.

Robert Bensen Meyer, 59, U. S. yachtsman, pres. of the Cord Meyer Co., N. Y. real estate firm; Aug. 20 in Cowes, Eng.

The Earl of Orkney (Edmond Walter Fitzmaurice), 84, who defied society and married "original Gaiety Girl" Constance MacDonald Gilchrist; Aug. 21 in Luton, Eng.

Grace Seagrave, 56, sister of Dr. Gordon S. Seagrave (Burma Surgeon); Aug. 17 in Namkhan, Burma of heart ailment due to overwork. She had been running her brother's mission hospital alone since his 1950 arrest for treason. [See p. 93N]

Irving Trosty, 54, a founder and vice-pres. of CIO Retail, Wholesale & Dept. Store Employees of America, a founder of N. Y.'s Liberal Party 1944; Aug. 18 in Monticello, N. Y.

Tu Yueh-sen, 64, ex-Shanghai gang boss who aided Chiang Kai-shek's rise in 1927; Aug. 16 in Hong Kong.

Dr. John White, 83, an organizer and ex-moderator of United Church of Scotland; Aug. 20 in Glasgow (heart ailment).

G. A. Zemukhamedov, pres. of Presidium of Supreme Soviet of Tatar SSR; Aug. 20 (reported by Moscow Aug. 21).

Dr. George Frederick Zook, 66, ex-pres. of American Council on Education, U. S. Education Comm. 1933-34; Aug. 17 in Arlington, Va. [See Vol. VII, p. 404C]

SPORTS

Air Racing. Natl. Air Races in Detroit: *Bendix* (1,191 mi. from Lake Muroc, Calif. to Detroit) Aug. 18: won by AF Col. Keith K. Compton in an F-86 Sabre jet fighter in 3 hrs. 26 mins. 56 secs., a 555-mph. average. *Thompson Trophy* (100-mi. closed-course) Aug. 19: won by AF Col. Fred J. Ascani in an F-86E jet fighter; time of 628.698 mph. set a new world closed-course speed record. [See p. 136H; Vol. X, 208H, 112J]

Bob Faris of Wichita, Kan. set a world distance record for very light planes when he flew his Mooney Mite 1,210 mi. from Wichita to Dexter, N.Y. Aug. 18. [See p. 176H] . . . Mrs. Peggy Lennox of Tampa, Fla. won the annual All Women's Intl. Air Race from Orlando, Fla. to Windsor, Ont. Aug. 19. . . . All-Woman Transcontinental Air Race (Powder Puff Derby) from Santa Ana, Calif. to Detroit: won Aug. 20 by Claire McMillen, 27, of Santa Ana, for $850.

(*Time* Aug. 20 said AF Capt. John J. Mackey had covered the 205 miles between Ft. Worth, Tex. and Barksdale Field, Shreveport, La., in a record 13 min. 50 sec.—averaging 886 mph.—in a North American 4-jet RB-45 light bomber. The plane's normal top speed is about 550 mph. He set the record accidentally with the help of the substratospheric jet airstream.) [See p. 213C]

Auto Racing. British Lt. Col. A. T. (Goldie) Gardner, 60, set 16 Class F American and intl. speed records Aug. 20 in his *Magic Midget* car during a one hour run along Utah's Bonneville Flats. Top speed: 139.3 mph. [See p. 240D]

Baseball. Phil Cavaretta was signed Aug. 21 to manage the 7th-place NL Chicago Cubs in 1952. [See p. 240D] . . . St. Louis Browns were forbidden by AL Pres. Will Harridge Aug. 21 to continue to use Ed Gaedel, 26, Chicago midget (43 in. tall), as a pinch hitter to draw walks. Gaedel appeared with the Browns in St. Louis Aug. 19 as one of many stunts devised by owner William Veeck to draw crowds despite the Browns' last-place standing. [See p. 224G]

Basketball Fix Indictments. 8 gamblers and 3 Bradley U. players indicted by a New York grand jury Aug. 17 on charges of bribery and conspiracy: gamblers Nicholas Englisis, 26, his brother Anthony, 25, Joseph Benintende, 41, Jack (Zip) West, 39, Marvin Mansberg, 25, Jack Rubinstein, 33, Saul Feinberg, 26, and Eli Klukofsky, 26; Bradley stars Gene Melchiorre, 23, Bill Mann, 24, and George Chianakas, 23. Benintende and West are fugitives. [See p. 240C]

Boxing. Joey Maxim, 173½ lbs. of Cleveland kept his world light-heavyweight title with a 15-round decision over Bob Murphy, 174½ of San Diego in N.Y. Aug. 22. [See p. 176D-E]

Chess. Natl. championship in New York (finals Aug. 19): won by CCNY student Larry Evans, 19. [See p. 240F]

Football. Annual *Chicago Tribune* charities benefit in Chicago Aug. 17: NFL champion Cleveland Browns 33, U.S. College All-Stars 0. [See Vol. X, p. 246J-K] . . . The College of Wm. & Mary (Williamsburg, Va.) named Marvin Bass head football coach Aug. 18 after a 2-day inquiry into sports. Conclusion: too much stress on athletics. Football coach Rube McCray and basketball coach Barney Wilson quit Aug. 10.

Golf. Sioux City (Ia.) open: won Aug. 19 by Buck White of Greenwood, Miss. for $2,400. [See Vol. VI, p. 314G] . . . U.S. Jr. C. of C. natl. junior tourney in Durham, N.C.: won Aug. 18 by Doug Sanders, 18, of Cedartown, Ga. . . . Natl. junior girls title in Chicago: won Aug. 17 by Arline Brooks, 16, of Pasadena, Calif.

Horse Racing. $79,525 American Derby in Chicago Aug. 18: won by Greentree Stable's Hall of Fame, Ted Atkinson up, for $62,200. [See p. 240J; Vol. X, 280C-D] . . . 82d running of Travers Stakes in Saratoga Springs, N.Y. Aug. 18: won by Battlefield, Eddie Arcaro up, for $15,000. [See p. 176E-F]

Swimming. Mareeh Hassan Hammad, 34, Egyptian King Farouk's bodyguard, won the *London Daily Mail's* annual mass English Channel swim Aug. 16. But he and 2 countrymen who made good showings spurned $4,200 in prizes ($2,800 for first) Aug. 17 because, they said, the *Daily Mail* and other British newspapers had made "abusive attacks" on Farouk. The King has been vacationing at resorts in Switzerland, Italy & France during a long honeymoon trip. He reportedly promised the Egyptian Channel swimmers $28,500 for winning. 18 of 20 starters finished the Channel swim. [See 248E, 150K; X, 288J]

MISCELLANEOUS

Hurricane Hits Jamaica. A 130-mph. Caribbean hurricane swept the British island of Jamaica Aug. 17-18, killing 162 people, injuring hundreds and making 30,000 homeless. Property damage was estimated at $50 million. 2 port towns were destroyed: Norant and Port Royal. The storm struck Tampico, Mexico Aug. 22 and caused at least 7 deaths there. [See Vol. X, p. 336L-M]

Air Crashes. 13 servicemen were killed and 23 injured by an AF T-33 jet plane (training version of the F-80 Shooting Star) which crashed in flames into a group of soldiers at Ft. Dix, N.J. Aug. 20. Both occupants of the plane died.

An Indian AF plane crashed near Poona Airport Aug. 20 killing all 11 occupants. [See p. 264J-K]

Other Disasters. Nearly 400 forest fires caused by lightning storms spread over more than 45,000 acres of California, Oregon and Washington Aug. 20-21. . . . 10 persons were killed and 20 hurt when a bus crashed into a beer truck near Alpena, Mich. Aug. 18. [See p. 264L]

Half U.S. Whiskey Bootlegged. More whisky is being made and sold illegally in the U.S. than legally because of high liquor taxes, according to an Aug. 19 survey by Licensed Beverage Industries, Inc. It said illegal whisky output now equals that of Prohibition days. The Treasury Dept. denied the story Aug. 20, said bootleg production was down 98%, except in the South. [See p. 43A]

Austrian Drug Error. Austrian authorities in Vienna charged Aug. 22 that 3 children died and 18 were left crippled in Mistelbach, Soviet zone last year when officials gave them large doses of the Swedish anti-rickets drug Fortedol, mistaking it for cod liver oil. The Austrians asked that the Soviet zone indict 8 of its officials in the case. [See p. 264L-M]

Charles A. Guzik, 41, son of Chicago mobster Jake (Greasy Thumb) Guzik, was sentenced in Phoenix, Ariz. Aug. 22 to 60 to 100 years in jail for homosexual sex crimes. [See p. 141A]

Dr. Perry E. Hewitt Jr., 41, Muskogee, Okla. brain specialist, pleaded not guilty Aug. 16 to manslaughter charges. He was accused of drunkenly giving fatal drug injections to Mrs. Allene Shuler, 38, Borger, Tex., who came to him for headache relief, then trying to revive her with gin. Mrs. Shuler died Aug. 9.

COMPANY EARNINGS

	Net Income		Per Share	
	1951	1950	1951	1950
Dow Chemical Co.	[a]$41,334,744	[a]$33,813,105	$6.12	$5.73
General Mills, Inc.	[a]$11,520,508	[a]$13,251,218	$4.92	$5.87
Intl. Minerals & Chem'ls Co.	[b]$ 6,514,130	[b]$ 5,776,660	$3.06	$3.40
Kaiser Aluminum & Chem'l Co.	[a]$15,798,319	[a]$10,532,142	$5.06	$3.38
Kimberly-Clark Corp.	[c]$12,052,618	.....	$5.80	.....
Proctor & Gamble Co.	[b]$51,280,231	[b]$61,092,079	$5.31	$6.33

[a]Year May 31 [b]Year June 30 [c]Year April 30